



PT. BAYAN RESOURCES Tbk.

***Third Quarter 2023
Update Presentation***



Overview

- **Operationally YTD 2023 has seen significant improvement over the same period last year with an approximate 30% increase in coal production and 25% increase in sales volume.**
- **3Q 2023 Coal production is lower than the Budget and stripping ratio is higher than the Budget due to in 3Q 2023 most of Tabang reaching the 2023 RKAB targets and having to slow down coal production whilst waiting for revised RKAB approvals to be received.**
- **Overall YTD 2023 financial performance was lower than Budgeted across all financial matrix. This is principally due to significantly lower market prices than Budgeted which has led to lower realized ASP, EBITDA and NPAT.**
- **YTD and 3Q 2023 cash costs continue to be lower than Budgeted.**
- **YTD 2023 financial performance is still generating very healthy margins and profit levels.**



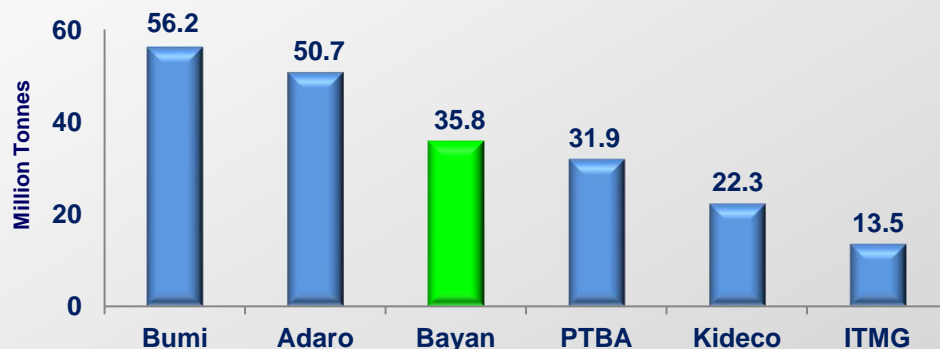
Bayan's Financial and Operational Performance

	2022	YTD 3Q22	YTD 3Q23	3Q22	3Q23
Financial Performance (In Million USD)					
Revenue	4,703.6	3,348.2	2,757.1	1,343.1	717.9
Gross Profit	3,160.1	2,306.3	1,324.1	924.3	260.6
EBITDA	3,026.4	2,243.8	1,273.6	917.4	265.6
Net Profit After Tax	2,301.6	1,707.6	951.3	699.6	188.9
Financial Ratios					
Gross Profit Margin (%)	67.2%	68.9%	48.0%	68.8%	36.3%
EBITDA Margin (%)	64.3%	67.0%	46.2%	68.3%	37.0%
Net Profit Margin (%)	48.9%	51.0%	34.5%	52.1%	26.3%
Net Debt to EBITDA (x)	Net Cash	Net Cash	Net Cash	Net Cash	Net Cash
Operational Statistics					
Overburden Removal (MBCM)	153.6	112.5	160.2	44.3	61.2
Strip Ratio (x) - based on production volume	3.9	4.0	4.5	4.0	5.2
Coal Production (MT)	38.9	27.8	35.8	11.0	11.7
Sales Volume (MT)	39.9	28.0	34.6	10.7	10.8
Average Selling Price (US\$/MT)	117.9	119.4	79.7	125.2	66.7
Average Cash Costs (US\$/MT)	42.5	39.5	43.8	39.9	42.6



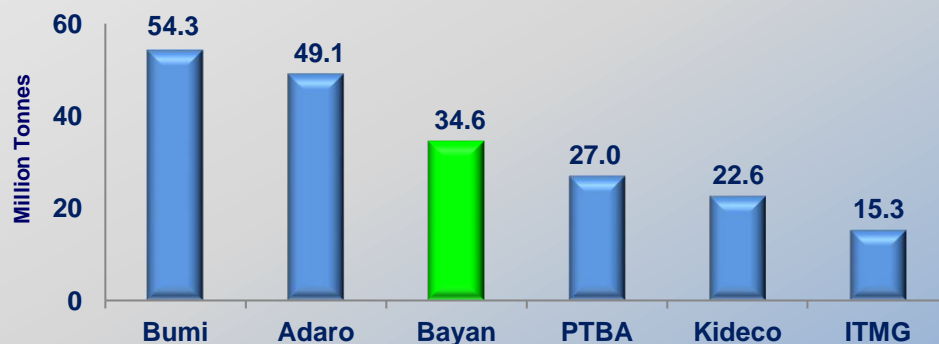
One of the Largest Coal Producers

3Q23 Production



Source: Company Filings, Company Data

3Q23 Sales Volume



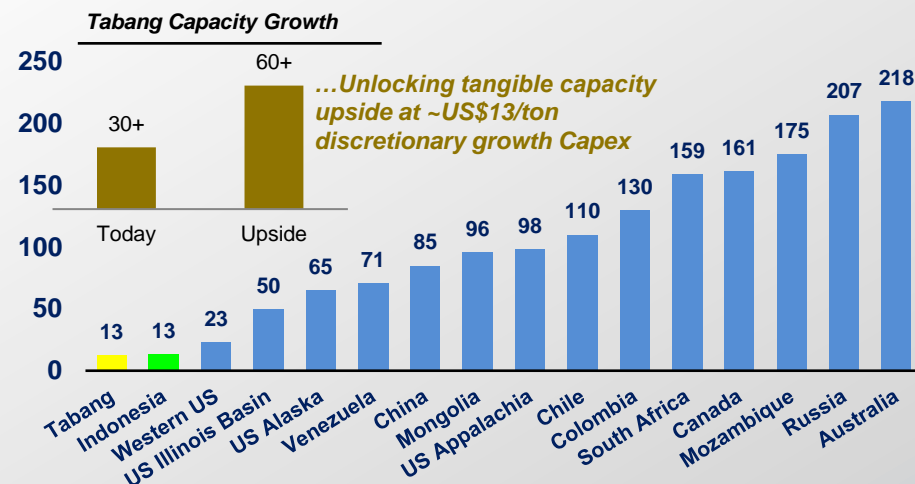
Source: Company Filings, Company Data

- Bayan is ranked 3rd by production and sales volumes in Indonesia.
- Bayan's sales volumes are anticipated to grow in the region of 20% in 2023 utilizing existing infrastructure.
- By the end of 2023, first phase of Muara Pahu will be open which will allow us to rapidly expand in 2024 and beyond.
- This will allow Bayan to expand production at Tabang and increase production to more than 80 mtpa.



Low Cost Incremental Growth

Capex Intensity by Country ⁽¹⁾



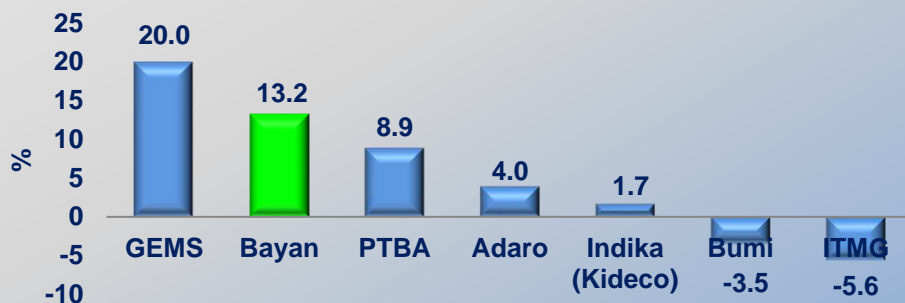
Source: Wood Mackenzie

Notes

(1) Based on 2012 real dollars

(2) US\$402m Capex (include BCT) divided by an incremental 30+ Mtpa production / sales capacity

2017 - 2022 CAGR (Production)



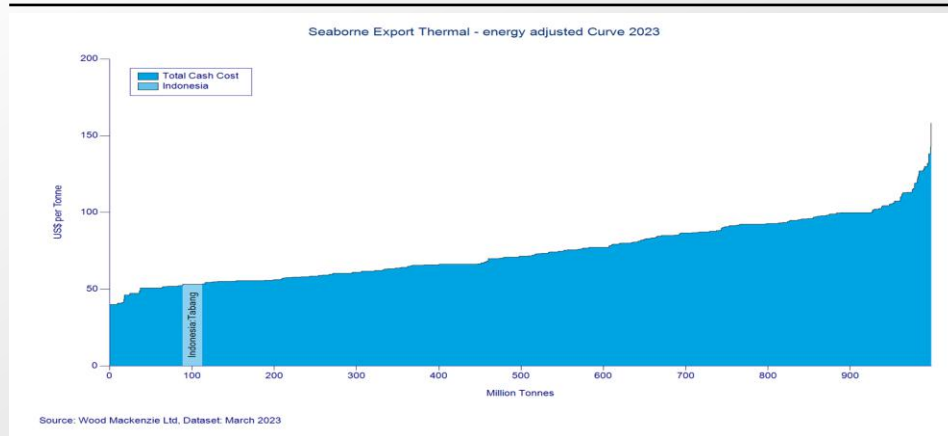
Source: Company Filings. Company Data

- Our new coal haul road and the first barge loading facility underwent initial commissioning in the 3Q 2023.
- The second and third barge loaders, overland conveyors and side dumps will be completed within 1H2024.
- Once all three barge loaders have been completed, this will add an additional 40+ million MT to our existing capacity.
- Total forecasted capex in the region of US\$ 384 million (2023-2024) for the Group, of which US\$ 234 million is expansionary capex tied to the Tabang Project including upgrading the BCT.



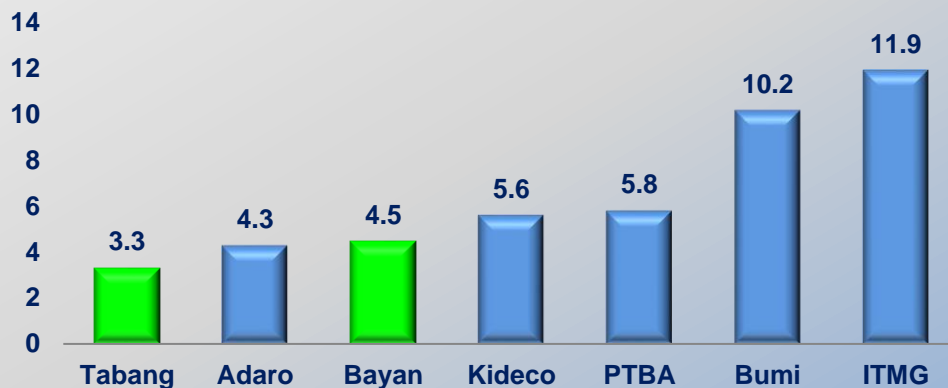
One of the Lowest Cost Producers in Indonesia

Global Cost Competitive Positioning



Source: Wood Mackenzie

3Q23 Strip Ratio



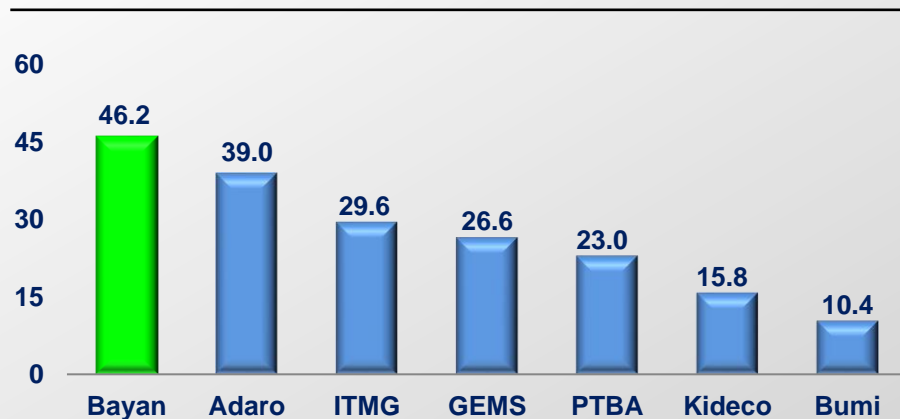
Source: Company Filings, Company Data

- Tabang is independently rated as one of the worlds lowest cost energy-adjusted producers of seaborne thermal coal.
- Tabang has large reserves and a very low Life of Mine stripping ratio of 4.3.
- A new JORC reserves statement in 2022 resulted in an increase of 18% in Tabang/North Pakar reserves to 1,692 million MT.
- Tabang is currently operating at one of the lowest average stripping ratio's in Indonesia.



And One of the Highest Margin Producers in Indonesia

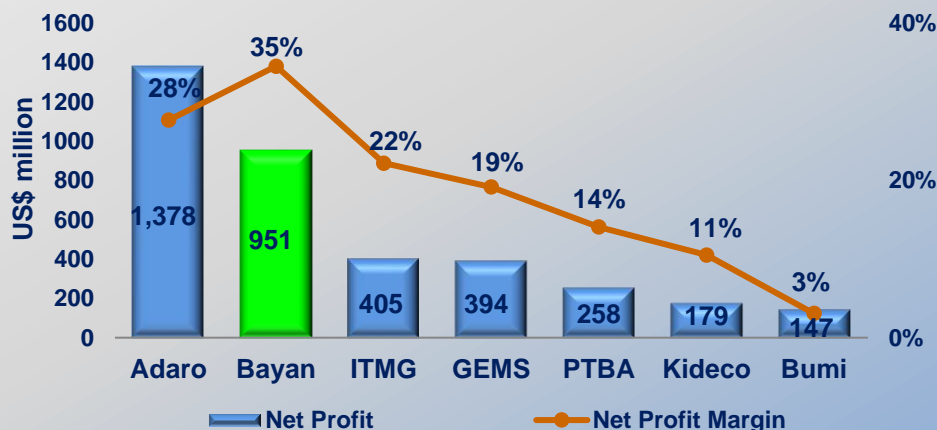
3Q23 EBITDA Margin (%)



Source: Company Filings, EBITDA estimated using Company Data

- Over the last few years, Bayan has transformed itself into one of the highest margin producers in Indonesia.
- This is due to the ramp up of its world class Tabang coal complex, which is anticipated to continue to grow and produce industry leading margins.
- Net profit margins are anticipated to continue to outperform the industry norms due to the low cost base and lower royalty rates than IUPK's.

3Q23 Net Profit and Net Profit Margin (%)



Source: Company Filings, Company Data



Deleveraged the Group

Quarterly Net Cash

US\$ Million



Quarterly EBITDA

US\$ Million



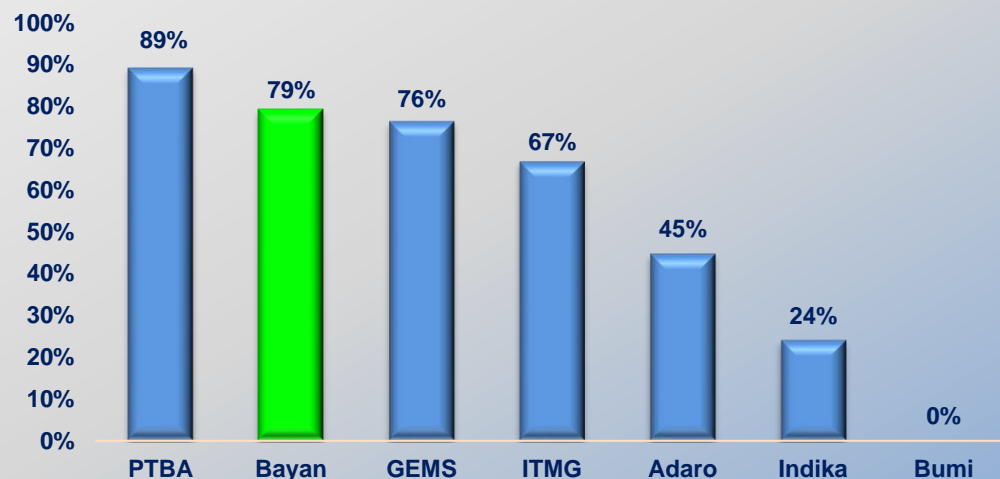
- Targeted net leverage of less than 2.5x EBITDA throughout the commodity cycle.
- Bayan has been re-assigned independent credit ratings of Ba2 by Moody's in December 2022 and BB- by Fitch in February 2022.
- 3Q22 EBITDA of US\$ 917.4 million was the best quarter ever in the history of Bayan.



DIVIDENDS

- Bayan has a proven history of utilizing cash to reduce leverage and then return excess cash to shareholders.
- Bayan has paid a total of US\$ 3,100.0 million in dividends over the last three years (the highest of any Indonesian listed coal company).
- Its payout ratio over the same period is 79% of NPAT (2020–2022), which is one of the highest in the Indonesian coal sector.

Total Dividend payout ratio for 2020-2022



- On 7 December 2023 Bayan announced an interim dividend of US\$ 500,000,025 or 0.015/share, payable on 5 January 2024.



3Q 2023

Overburden Removal

Coal Production

Weighted Average Strip Ratio

Average Cash Costs

Coal Sales

Average Selling Price

Committed & Contracted Sales

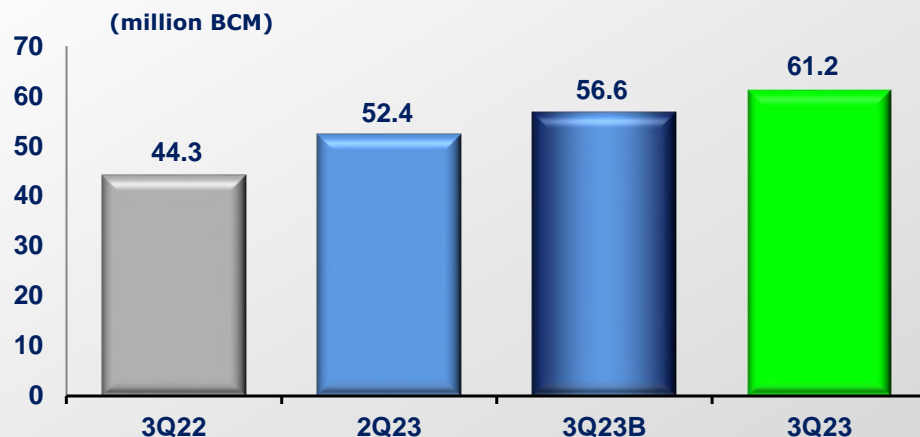
EBITDA

Debt and Cash Position

Capital Expenditure



Overburden Removal (OB)



Note : B stands for Budget Figure

(in million BCM)	2Q23	3Q23B	3Q23
TSA & FKP	7.6	9.2	10.3
Perkasa Inakakerta	2.0	2.3	2.2
Wahana Baratama Mining	8.0	6.3	8.9
Tabang (BT, FSP, TA & BAS)	34.7	38.9	39.8
Total	52.4	56.6	61.2

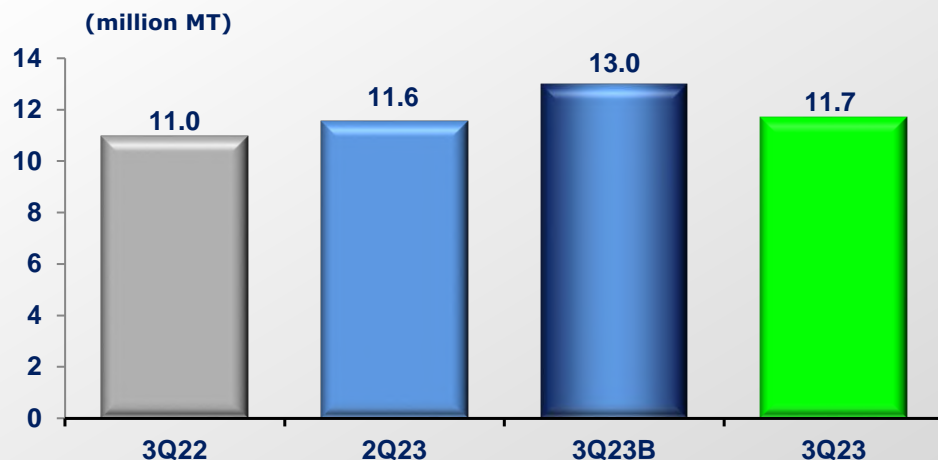
➤ 3Q23 OB of 61.2 million BCM was higher than the Budget and 2Q23 primarily due to:

- Most of Tabang focus on pre-stripping as an impact of the 2023 RKAB targets being reached, mobilization of additional overburden fleets (in anticipation of further growth in 2024), combined with dry weather that increased operational efficiency.
- WBM due to additional mobilization of 1 fleet OB digger in 3Q23 combined with lower rainfall than forecast and 2Q23.
- TSA/FKP due to additional 1 fleet OB digger which was mobilized in the 3Q23.

Overburden higher compared to the Budget and 2Q23



Coal Production



Note : B stands for Budget Figure

- 3Q23 coal production of 11.7 million MT was lower than the Budget primarily due to most of Tabang limiting coal production as an impact of reaching the 2023 RKAB targets, whilst waiting for the revised RKAB limits to be issued.

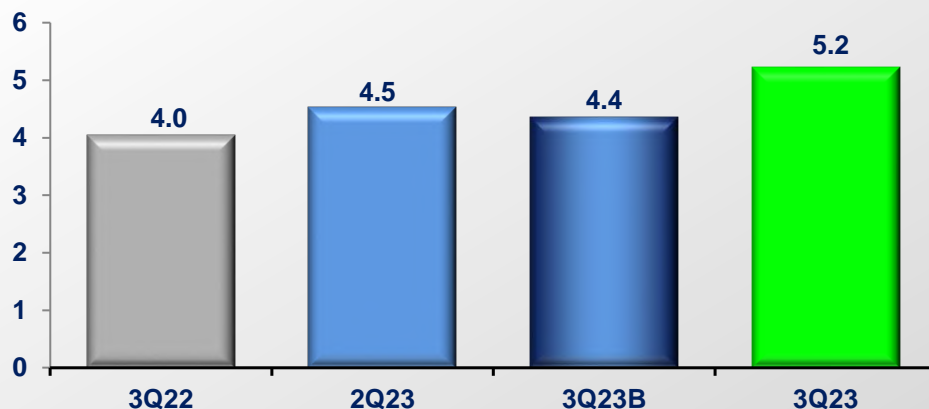
(in million MT)	2Q23	3Q23B	3Q23
TSA & FKP	0.6	0.7	0.8
Perkasa Inakakerta	0.3	0.3	0.3
Wahana Baratama Mining	0.5	0.5	0.5
Tabang (BT, FSP, TA & BAS)	10.2	11.5	10.1
Total	11.6	13.0	11.7

- 3Q23 coal production was inline with 2Q23.

Coal production inline with 2Q23



Weighted Average Stripping Ratio (SR)



Note : B stands for Budget Figure

Weighted Average SR (:1)	2Q23	3Q23B	3Q23
TSA & FKP	12.5	12.8	12.1
Perkasa Inakakerta	7.3	7.2	7.0
Wahana Baratama Mining	15.4	13.0	19.3
Tabang (BT, FSP, TA & BAS)	3.4	3.4	3.9
Total	4.5	4.4	5.2

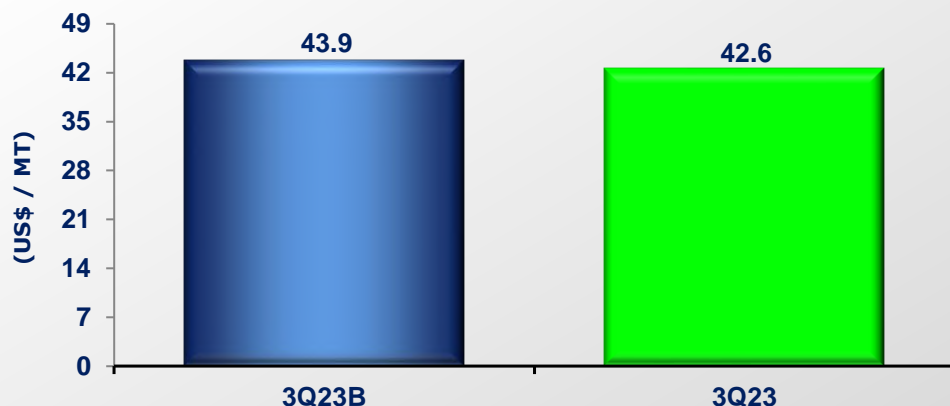
➤ 3Q23 weighted average stripping ratio was higher than the Budget and 2Q23 due to:

- Most of Tabang achieved the 2023 RKAB coal production targets, therefore having to limit coal production which temporarily increased operational strip ratio's.
- WBM due to additional mobilization of 1 fleet OB digger in 3Q23 combined with lower rainfall than forecast.

3Q23 weighted average stripping ratio was higher than the Budget and 2Q23



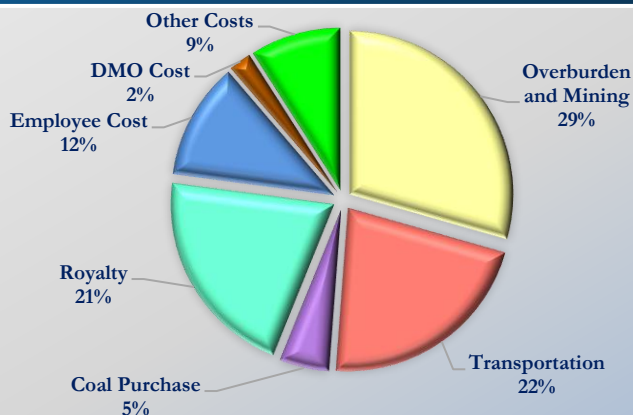
Average Cash Costs (Budget vs Actual)



Average Cash Costs include Royalty, Barging and SGA

Note : B stands for Budget Figure

Cash Cost per Expense – 3Q23



➤ 3Q23 Cash Costs were lower than Budget due to:

- Lower royalty due to lower ASP.
- Lower DMO expense due to reduction in average tariff due to continued drop in market prices.
- Lower than Budgeted actual travel expenses.
- Lower others production costs than Budgeted primarily due to lower actual land and building tax as the actuals are expensed monthly whilst the Budget has the full annual payment in the 3Q23.
- Lower cost of coal purchased due to lower quality and market prices.

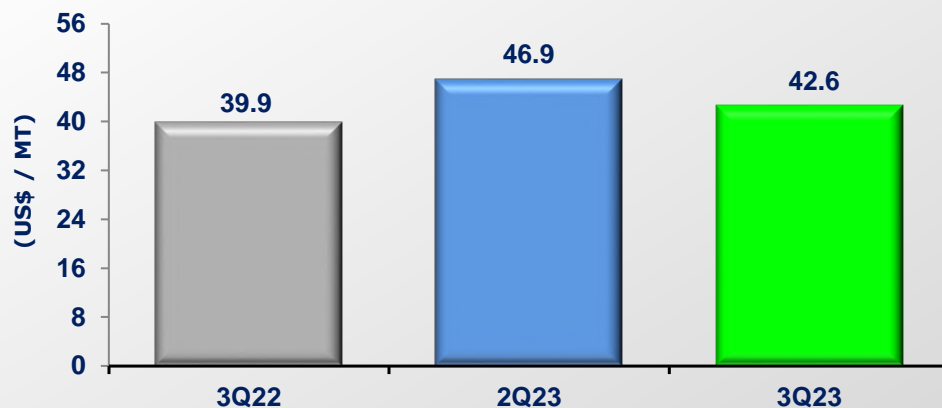
Partially offset by:

- Higher OB costs due to higher average SR.

3Q23 cash costs were lower than the Budget



Average Cash Costs (3Q23 vs 2Q23)



Average Cash Costs include Royalty, Barging and SGA

➤ **3Q23 Cash Costs of US\$ 42.6/MT were lower than 2Q23 of US\$ 46.9/MT due to:**

- Lower salaries and wages due to the final annual bonus being paid in the 2Q23.
- Lower royalty due to lower ASP than 2Q23.
- Lower cost of coal purchased due to lower market prices and quality of coal purchased.

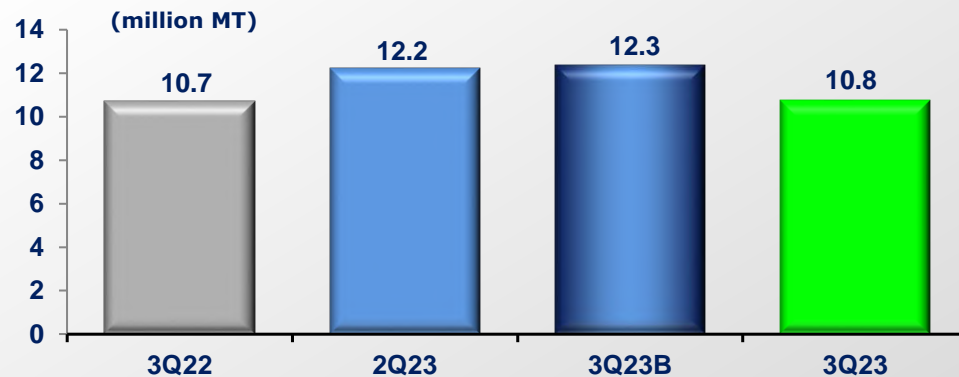
Partially offset by:

- Lower sales volume that increased certain unit costs.
- Higher OB costs due to higher average SR combined with longer overhaul distance.

3Q23 cash costs were lower than the 2Q23 levels

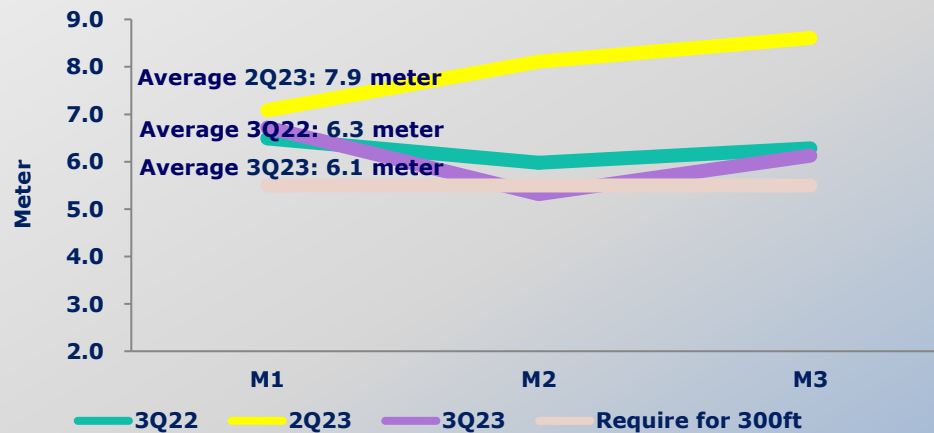


Coal Sales (by volume)



Note : B stands for Budget Figure

Average Senyur Water Levels



➤ 3Q23 coal sales volumes of 10.8 million MT were lower than the Budget and 2Q23 due to lower water levels in 3Q23.

➤ Group inventory levels increased to 4.5 million MT as at the end of September 2023 as an impact of lower water levels in 3Q23.

➤ Quarterly barging at Tabang (includes TA) - Senyur:

- 3Q22: 9.0 million MT.
- 2Q23: 10.2 million MT.
- 3Q23: 8.6 million MT.

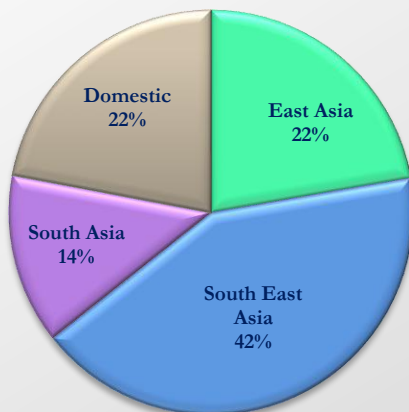
3Q23 sales volume lower than Budget and 2Q23 as an impact of low water levels at Senyur



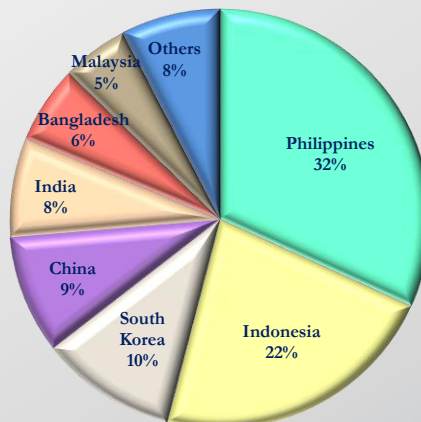
Coal Sales (by volume) (continued)

Geographic Distribution (YTD 3Q23) – by Volume

Per Region



Per Country



Committed and Contracted Sales for 2023



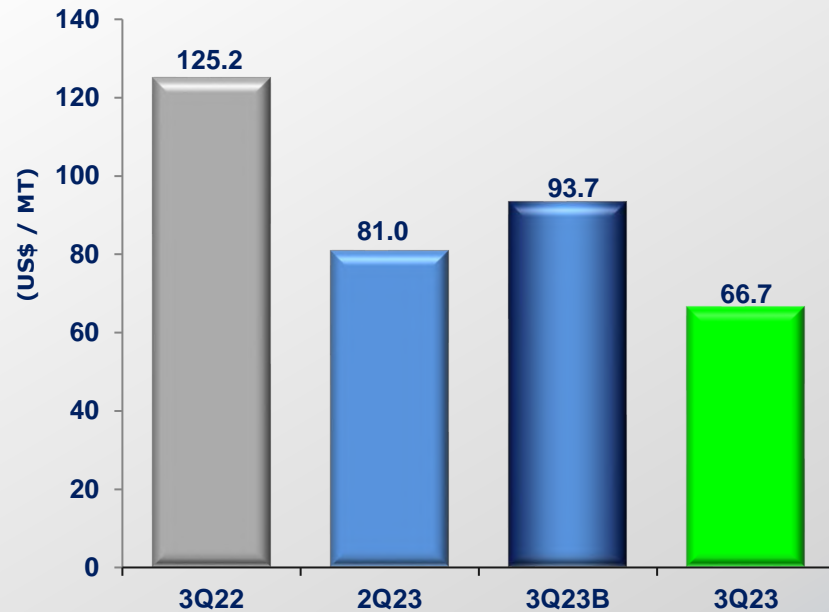
➤ The Company is focusing on continuing to build its long term contracts within Indonesia and with other South East Asian IPP's.

➤ As at early December 2023, committed and contracted sales were 47.6 million MT for 2023 with an average CV of 4,422 kcal/kg GAR.

➤ Excluding YTD November 2023 deliveries we have 3.7 million MT of fixed prices contracts for the remainder of the year at US\$ 60.7/MT with and average CV of 4,361 kcal/kg GAR.



Average Selling Price (ASP)



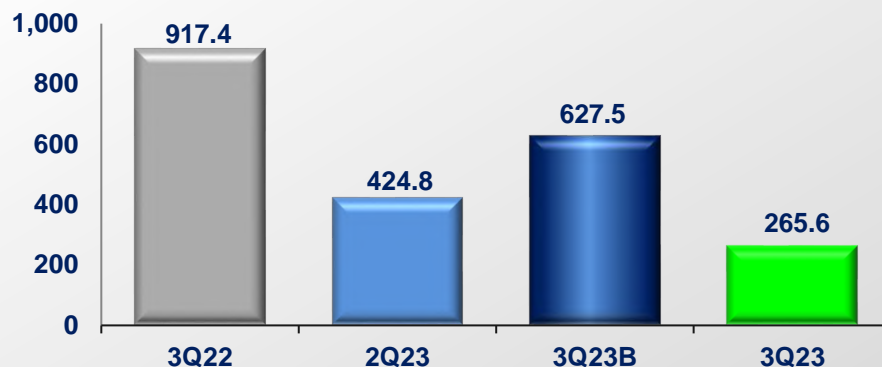
* ASP includes coal and non-coal sales
Note : B stands for Budget Figure

- 3Q23 ASP of US\$ 66.7/MT was lower than the Budget and 2Q23 due to market prices having continued to drop in the 3Q23.
- Coal prices appear to have stabilized and are currently around US\$ 130/MT for Newcastle and US\$ 57/MT for ICI4.

Market prices have continued to drop in the 3Q23

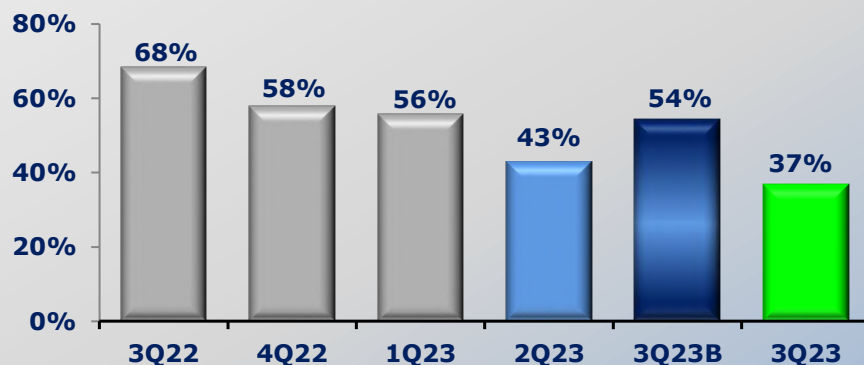


EBITDA



Note : B stands for Budget Figure

EBITDA Margin



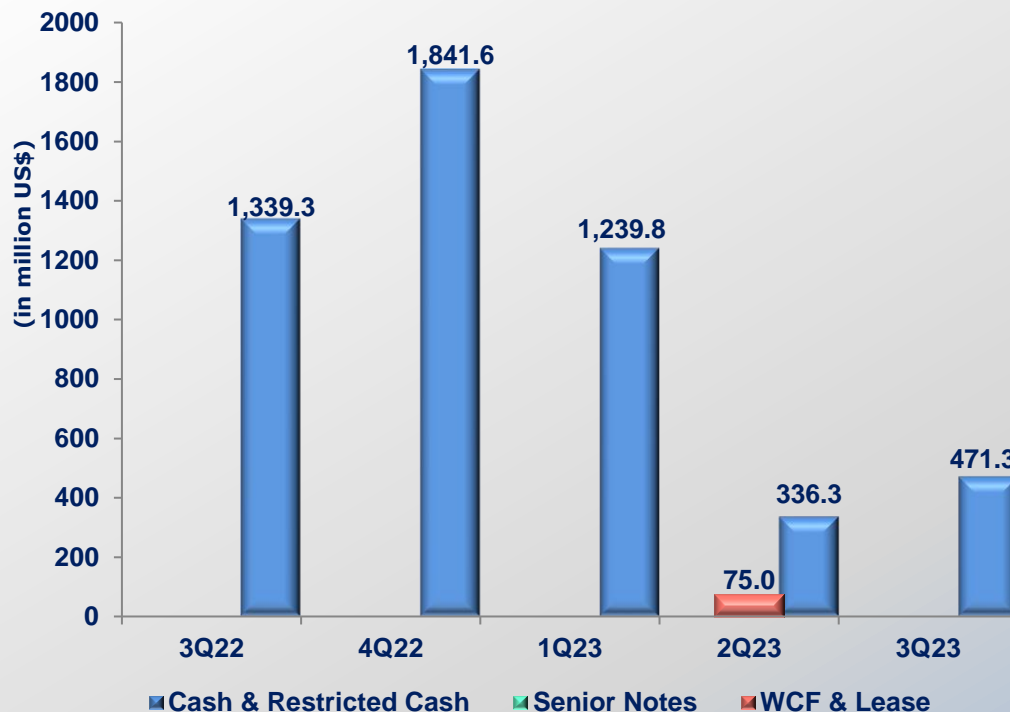
Note : B stands for Budget Figure

- 3Q23 EBITDA was significantly lower than the Budget due to a combination of significantly lower ASP and lower sales volumes, partially offset by lower cash costs.
- 3Q23 EBITDA was lower than 2Q23 due to a combination of lower ASP and sales volumes, partially offset by lower cash costs.
- 3Q23 EBITDA margins however remain at healthy levels.

One of the best EBITDA margin's in Indonesian coal sector



Total Debt and Cash Position

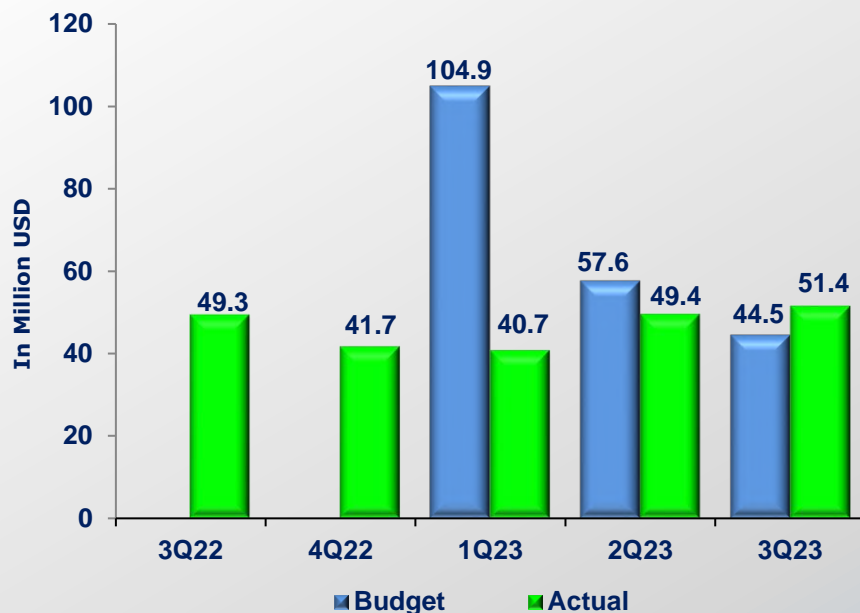


- Bayan remains in a net cash position.
- Drewdown US\$ 145 million of its Working capital facilities in April 2023 and fully repaid in July 2023.
- Working capital facilities of approximately US\$ 300 million remain available.
- Planning to renew and increase facility limits with Mandiri and Permata in the 4Q 2023.

Bayan continues to maintain low leverage and sufficient liquidity



Capital Expenditure



- 3Q23 Capex was US\$ 51.4 million, which was higher than the Budget primarily due to the realization of delayed projects from previous quarters such as hauling road to Mahakam, jetty Muara Pahu, Land Preparation air Strip and Mega settling pond.
- 3Q23 spend included:
 - US\$ 37.1 million on the payment of long term construction projects.
 - US\$ 13.7 million on the purchase of a variety mobile equipment.
- Total Budget capex for 2023 in the region of US\$ 220 - 250 million however it is unlikely to be achieved based on current and anticipated future spending rate.

YTD 3Q23 Capex remains lower than Budget



Appendix

PT Perkasa Inakakerta	PIK
PT Teguh Sinarabadi	TSA
PT Firman Ketaun Perkasa	FKP
PT Wahana Baratama Mining	WBM
PT Brian Anjat Sentosa	BAS
PT Bara Tabang	BT
PT Fajar Sakti Prima	FSP
PT Dermaga Energi	DE
PT Tanur Jaya	TJ
PT Tiwa Abadi	TA
PT Silau Kencana	SK
PT Orkida Makmur	OM
PT Sumber Api	SA
PT Bara Sejati	BS
PT Apira Utama	AU
PT Cahaya Alam	CA
PT Mamahak Coal Mining	MCM
PT Bara Karsa Lestari	BKL
PT Mahakam Energi Lestari	MEL
PT Mahakam Bara Energi	MBE

Tabang

North
Pakar

South
Pakar

Mamahak



Appendix

Kangaroo Resources Pty Ltd	KRL
PT Dermaga Perkasapratama	DPP
PT Indonesia Pratama	IP
PT Muji Lines	Muji
PT Bayan Energy	BE
PT Metalindo Prosestama	MP
PT Sumber Aset Utama	SAU
PT Karsa Optima Jaya	KOJ
PT Gunungbayan Pratamacoal	GBP



Disclaimer

This presentation contains forward-looking statements based on assumptions and forecasts made by PT. Bayan Resources Tbk management. Statements that are not historical facts, including statements about our beliefs and expectations, are forward-looking statements. These statements are based on current plans, estimates and projections, and speak only as of the date they are made. We undertake no obligation to update any of them in light of new information or future events.

These forward-looking statements involve inherent risks and are subject to a number of uncertainties, including trends in demand and prices for coal generally and for our products in particular, the success of our mining activities, both alone and with our partners, the changes in coal industry regulation, the availability of funds for planned expansion efforts, as well as other factors. We caution you that these and a number of other known and unknown risks, uncertainties and other factors could cause actual future results or outcomes to differ materially from those expressed in any forward-looking statement.

Thank You